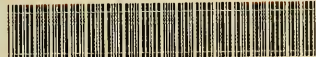


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UNITED STATES DEPARTMENT OF THE INTERIOR

ANNUAL REPORT OF
THE GOVERNOR
OF THE VIRGIN ISLANDS

FOR FISCAL YEAR ENDED JUNE 30, 1935

UNITED STATES DEPARTMENT OF THE INTERIOR

HAROLD L. ICKES, *Secretary*

THE VIRGIN ISLANDS

LAWRENCE W. CRAMER, *Governor*

ANNUAL REPORT
OF THE
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UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1935

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ANNUAL REPORT OF THE GOVERNOR OF THE VIRGIN ISLANDS

GOVERNMENT HOUSE,
ST. THOMAS, VIRGIN ISLANDS OF THE UNITED STATES,
August 31, 1935.

The honorable the SECRETARY OF THE INTERIOR,
Department of the Interior, Washington, D. C.

SIR: I have the honor to submit the following report of the Governor of the Virgin Islands for the fiscal year ended June 30, 1935.

THE PRESIDENT'S VISIT

The outstanding event of the year was the visit of President Franklin D. Roosevelt, arriving at St. Thomas on the U. S. S. *Houston* on July 7, 1934, and proceeding the next day to St. Croix. Governor Pearson welcomed the President on board the *Houston* at St. Thomas, and together they headed a long parade of cars containing the members of the Colonial Council, Government officials, and press representatives. The President visited a number of important governmental activities in each island, and at receptions at the Government houses in St. Thomas and in Christiansted, St. Croix, prominent citizens and officials were introduced to him. To commemorate his visit, he placed a marker on a homestead house in each island and at the new Bluebeard Castle Hotel in St. Thomas.

GENERAL TRENDS OF THE YEAR

Despite a considerable reduction in activities of the National Recovery Program, improved private business, added to the several emergency activities still being carried on, resulted in a fair measure of employment during the year. Operations of the Virgin Islands Co., with an average of 1,400 field and industrial workers in St. Croix during half the year, greatly improved the employment picture.

The benefits to business accruing from the recovery activities of the preceding year, when the program was at its peak, as well as from other improvements in the economics of the islands, are evidenced by the income-tax collections this year. Totaling \$28,970.25 for the two municipalities, they are more than double the collections in the previous year.

The health record for the year has been equally gratifying, with the lowest death and infant mortality rates on record for all time in

the Virgin Islands, and with malaria and typhoid under complete control. In educational and welfare activities and in the promotion of handicraft industries, homesteading, and other agricultural activities progress has been marked.

LEGISLATION

Appropriate legislation was passed by the Colonial Council of St. Thomas and St. John to facilitate the liquidation of the National Bank of the Danish West Indies and to enable transfer of funds to the new Virgin Islands National Bank. A revolving fund for the purchase and sale of drugs and medicines by the commissioner of St. John was constituted with a loan from the hurricane-loan fund of \$200. An amendment to the ordinance for the recording of vital statistics, to provide for more accurate records, was passed. The collection of ships' dues on vessels discharging coal and fuel oil at St. Thomas for the bunkering of ships calling at the port, suspended 2 years before by ordinance of the council, was further suspended for a period of 2 years from July 1, 1935, to July 1, 1937, in order to place the port of St. Thomas in a favorable position to compete with other West Indian bunkering stations and thus bring added business to the port.

Legislation enacted by the Colonial Council of St. Croix included extension for 1 year of the ordinance of 1933 imposing certain excise taxes; an ordinance imposing certain additional excise taxes; an ordinance authorizing and providing operating capital for government liquor stores; an ordinance to control the sale of rum in St. Croix; an ordinance regulating advances from the immigration fund for assistance of planters and of other activities in promotion of agriculture and industry; and an ordinance for protection of wildlife.

FISCAL

MUNICIPALITY OF ST. THOMAS AND ST. JOHN

The actual revenues of the municipality of St. Thomas and St. John during 1934-35 showed a 38.5-percent increase over those of the preceding fiscal year and 69.5-percent increase over those of 1932-33. The following are the revenues collected during the last 3 fiscal years:

Fiscal year:	
1932-33	\$86, 524. 10
1933-34	105, 898. 76
1934-35	146, 650. 02

The increase in revenues during 1934-35 is accounted for principally by an increase of \$19,000 in internal-revenue taxes, due to the fact that this tax was in force during the entire fiscal year, whereas it had been in force during only the last 5 months of the previous

year. In addition, the income-tax collections were about twice those of the preceding year, \$14,572.73 as compared with \$7,198.54, due largely to increased business attributable to the emergency activities; customs dues increased by 29.5 percent, or \$9,825.32, as compared with \$7,590.78, due to import duty on liquors; and the real-property taxes increased by over \$5,000, primarily because of the settlement of 10-year-old tax arrears on property in St. Thoms Harbor used by the United States Shipping Board as a bunkering station during the war. (These arrears were deducted from settlement made during the year by the Shipping Board of rental claims for the property.)

The cost of the municipal government was approximately \$234,000, with actual expenditures of \$209,024.70 and unliquidated obligations estimated at \$25,000. The expenditures, however, include a sum of approximately \$8,000 set aside in the internal-revenue tax special fund, in accordance with the terms of the ordinance levying that tax, for the purpose of road improvements in the municipality.

The major objects of expenditure actually made to June 30 are :

	Amount	Approximate percentage of total ex- penditures
Education.....	\$51,387.98	22
Health.....	44,045.21	19
Public works.....	37,970.63	16
Police and prison.....	20,415.61	9
Welfare and poor.....	9,914.95	4

Including the estimated obligations, the Federal Government will pay 37 percent and the local government 63 percent of the cost of operation of the municipality of St. Thomas and St. John during the fiscal year 1935, when the difference of approximately \$87,000 between local revenues and expenditures is met by Federal appropriations.

MUNICIPALITY OF ST. CROIX

The actual revenues of the municipality of St. Croix during the fiscal year 1934-35 showed an increase of 13.9 percent over those for the preceding fiscal year and 26.8 percent over those for the fiscal year 1932-33. The following are the revenues collected during the last 3 years:

Fiscal year:

1932-33.....	\$107,440.57
1933-34.....	119,663.25
1934-35.....	136,266.58

The increase in revenues during the fiscal year 1934-35 is accounted for principally by an increase of \$8,000 in income taxes and

a loan of \$9,000 from the immigration fund to permit the purchase of modern fire equipment.

The cost of the municipal government was \$229,022.43. The major objects of expenditure were:

	Amount	Approximate percentage of total expenditures
Health.....	\$54,850.40	24
Education.....	46,237.84	20
Public works.....	39,451.53	17
Police and prison.....	27,383.18	12
Welfare and poor.....	21,457.74	9

The Federal Government paid 41 percent and the local government paid 59 percent of the cost of operation of the municipality of St. Croix during the fiscal year 1934-35, when the difference of \$93,775.58 between local revenues and expenditures was met by Federal funds. Of this sum, \$82,600 was covered by the annual congressional appropriation for the municipal deficit, and the balance was met by transfer of funds within the appropriations of the Interior Department to offset partially the loss in revenue attributable to the operations of the Virgin Islands Co. and the fact that the properties purchased by the United States in connection with the rehabilitation program paid no taxes to the municipality.

The loss of municipal revenue due to Federal ownership of properties in St. Croix incident to the rehabilitation program seriously complicates the budgetary problems in that municipality, and early relief is necessary. Legislation has been introduced in Congress to accomplish this purpose.

THE ST. THOMAS HARBOR BOARD

Revenues of the board during the fiscal year totaled \$26,860.57, as compared with \$28,018.58 the preceding year and \$25,144.69 in 1932-33. The operating surplus of the year, \$9,357.42, compares with \$11,875.69 the preceding year and \$9,106.28 in 1932-33.

THE FEDERAL APPROPRIATION

The appropriation "Temporary Government for the Virgin Islands, 1935", as contained in the Interior Department Appropriation Act, was as follows:

Central administration.....	\$117,840
Agricultural station and vocational school.....	29,968
Deficit, municipality of St. Thomas and St. John.....	90,000
Deficit, municipality of St. Croix.....	82,600
Special projects.....	14,350
Total.....	334,758

The appropriation was supplemented by the following special grants:

For Federal salary restorations.....	\$8, 980. 06
Transfers from other Interior Department appropriations:	
For maintenance costs of central administration and agricultural station and vocational school.....	\$7, 895
To offset loss of municipal revenues, St. Croix, due to Virgin Islands Co. operations.....	12, 390
	<hr/> 20, 285. 00
Total.....	29, 265. 06

The total Federal appropriations made available for the Virgin Islands as above was \$364,023.06, the lowest figure since 1930.

THE NATIONAL RECOVERY PROGRAM

Grants under the National Recovery Program for the Virgin Islands during the year totaled \$376,680, as follows:

Federal Emergency Relief:	
To Virgin Islands government.....	\$162, 700
To Virgin Islands Co.....	160, 000
	<hr/> \$322, 700
National Industrial Recovery.....	53, 980
	<hr/>
Total.....	376, 680

Expenditures under the Recovery Program during the year totaled \$893,513.84, as follows:

Federal Emergency Relief:	
St. Thomas and St. John.....	\$104, 202. 88
St. Croix.....	75, 637. 16
	<hr/>
Total, Virgin Islands government.....	179, 840. 04
The Virgin Islands Co.....	22, 041. 91
	<hr/> \$201, 881. 95
National Industrial Recovery:	
Virgin Islands government.....	135, 790. 49
Virgin Islands Co.....	555, 841. 40
	<hr/> 691, 631. 89
Total.....	893, 513. 84

The excess of expenditures over grants was covered by balances brought forward from grants during the preceding year.

ACTIVITIES UNDER THE NATIONAL RECOVERY PROGRAM

The major employment under the Recovery Program has been furnished through projects that will prove of lasting benefit. In all three islands there has been much activity in road and street

construction, construction of new and remodeling of old public school buildings, repairs to other Government buildings, and drainage and filling of swamps and other projects for malaria and filariasis control and sanitation.

In addition, the individual economic problems of the two principal islands were given special attention. In St. Croix, the major emphasis was placed upon the rehabilitation of the sugar and rum industry on a P. W. A. allotment on which the Virgin Islands Co. was organized. In St. Thomas, where the hope for economic recovery lies largely in development of tourist trade, the program included construction of automobile roads, of a tourist hotel, and of tourist beach houses. Also, aid was furnished the new homesteading project and the native handicraft industries, and projects were set up for producing mattresses and other items for relief distribution.

The program was financed by monthly grants of \$11,000 for the entire Virgin Islands, exclusive of grants to the Virgin Islands Co. and special grants for working capital for cooperatives. The monthly grants proved wholly inadequate to provide work relief for all persons in need. In St. Thomas, where the need was greatest, only 332 persons out of a total of 2,034 eligible employables, or 16 percent of the total, were given work in the week with greatest employment under the program during the year. As a result of the inadequacy of grants, it was necessary to rotate the workers, laying them off for several weeks after one week's work. Even under this plan, in no month was it possible to give work assignments to as many as 50 percent of the employables registered. As a result of Virgin Islands Co. operations during the planting and reaping season, the relief needs of St. Croix could be more adequately taken care of during those periods, but otherwise the same need was felt there as in the other two islands.

A total of 353,563 pounds of foodstuffs and 38,410 cans of milk were distributed during the year to the most needy cases on the relief rolls. The total receiving food relief in St. Thomas and St. John was reduced from 4,682 persons in the preceding year to 2,965 in June 1935, with an even greater decrease in St. Croix.

Cash relief was resorted to for only a small percentage of the relief work, with a total distributed of \$1,232.87 in St. Thomas and St. John and \$733.37 in St. Croix.

EMERGENCY CONSERVATION WORK

The Emergency Conservation Work was inaugurated in the Virgin Islands on January 29, 1935. Two camps were established, with 100 young men enrolled in St. Croix and 60 men in St. Thomas. En-

rollment in the St. Thomas camp has since increased to 100. Substantial and well-equipped camp buildings have been constructed, the necessity to provide against hurricanes making it desirable to provide sturdy housing units. The enrollees (limited to the ages between 18 and 25 years) are benefiting by improved food and living conditions and by trained supervision and direction of the healthy outdoor work.

The projects include reforestation, soil-erosion control, roadside planting, work on parks, fire trails, etc. In St. Thomas some of the more interesting items accomplished are 4 miles of fire trails around an important watershed area for protection of a reforestation project there, fencing of this area, establishment of a forestry nursery with a quarter million tree seedlings, and construction of a small reservoir for the camp water system. In St. Croix, swamp drainage ditches were completed in the vicinity of the camp, 2 miles of fire trails were built around the Whim homesteading estate, and 5 acres of the Fredericksted Park were partially reclaimed.

PUBLIC WORKS

RECOVERY ACTIVITIES

The public-works department in both municipalities continued to carry a great load in directing construction work under the National Recovery Program in the Virgin Islands, in addition to their normal activities. The overload was estimated at 9 or 10 times the normal volume of work.

Outstanding items in this program accomplished by the public-works departments were the construction of the Bluebeard Castle Hotel at St. Thomas (with 26 rooms and 16 baths, garage, servants quarters, laundry building, and an extensive water-storage system); construction of a tourist beach house (with 22 rooms, a pavilion, showers, and toilets) at Lindbergh Bay, St. Thomas, in addition to the public-beach house erected there earlier; construction of E. C. W. camps in both St. Thomas and St. Croix; construction of 7 new school buildings (total capacity, 600 pupils) besides major repairs and renewals to the other schoolhouses in the 3 islands; hard surfacing of 3 principal streets in the towns of St. Croix and of 4 city streets and those surrounding the ball field in St. Thomas; repair of dirt roads in the country districts; and drainage of swamps. Much of this work was begun in the preceding fiscal year and completed during the year under report.

The important work of filling the large swamps at Lindbergh Bay and Long Bay, St. Thomas, was undertaken by the United States Army Engineering Service, using the Army dredge *Houston*. The

former was completed before June 30, but the latter was still under way at the close of the fiscal year.

NORMAL ACTIVITIES

Regular maintenance work of the departments includes upkeeping of all Government buildings, both Federal and municipal owned; repair of streets and roads; maintenance of public reservoirs and wells and of public sewer system and surface drains; street cleaning and garbage collection; maintenance of public parks and cemeteries; public surveys and land records; supervision of street lighting performed under contract by private companies; and operation of the municipal telephone systems in St. Thomas and St. Croix.

In St. Thomas, because of prolonged droughts, it was necessary to issue approximately 6,000,000 gallons of water from the Government reservoirs constructed a decade or more ago to provide a reserve supply of water for such emergencies. The sewer system operated by the public works department is flushed by sea water from a small reservoir on a hill behind the town which is filled by a pumping unit on the seashore. Heavy expansion of the system served by this reservoir necessitates replacement of the water and sewer lines by larger ones. For this, funds are much needed. This salt-water system has proven valuable besides for fire protection, with hydrants located all over the city.

FIRE DEPARTMENTS

During the year two new, modern fire engines were secured for the two towns of St. Croix similar to the one secured the year before for St. Thomas. There were no serious fires during the year in any of the islands. Only two houses, both small, were lost by fire. In St. Thomas the fire department is operated by the public works department. In St. Croix it is a separate unit.

HEALTH

The following statistics concerning the death and infant mortality rates indicate an upward trend in health in the Virgin Islands:

The death rate for the calendar year 1934 shows the lowest annual figure on record for the Virgin Islands, 19 per thousand of population. This is a little more than half the annual average of 35.4 per thousand for the 7 years (1911-17) immediately preceding the transfer, and 17-percent decrease from the annual average of 23.1 per thousand during the period 1918-30. In 1933 the rate was 21.9 per thousand.

The infant mortality rate of 97.4 per thousand children born alive during the calendar year 1934 is the lowest rate in the Virgin Islands on record, and compares with an annual average of 320 per thousand for the 7 years (1911-17) immediately preceding the transfer to United States sovereignty, and with an annual average of 183 per thousand during the period 1918-30.

The decrease in the infant mortality rate has been accompanied by an increase in the birth rate, which in 1934 was 29.8 per thousand of population as compared with 25.2 per thousand during 1918-30 and 26.3 per thousand in 1933.

MALARIA

Malaria was reported last year to be the outstanding health problem in the Virgin Islands. This year it was under complete control, with a total of only 37 cases in all the Virgin Islands during the entire fiscal year, as compared with a peak of 894 cases in St. Croix during fiscal year 1931-32 and 521 cases in St. Thomas and St. John during fiscal year 1932-33. This fiscal year there were 8 cases in St. Thomas, 29 in St. Croix, and none in St. John.

The campaign against the malaria carrier, the anopheles mosquito, was carried on with vigor during the year. The most important features in this campaign are the filling of the Lindbergh Bay and Long Bay Swamps in St. Thomas, the first of which was completed during the year, and the latter shortly after. The filling of these swamps, which eliminated the most serious malaria menaces in the island, was made possible through a P. W. A. grant, and was carried out by the United States Army dredge *Houston* and directed by officers of the United States Army Engineering Service. Draining and oiling of lesser swamps in all three islands continue. Constant vigilance is still needed in this work for the effective control of malaria in the islands.

ANTITYPHOID CAMPAIGN

In St. Thomas and St. John 5,160 persons between the ages of 3 and 50 years, or more than half the entire population, were inoculated with typhoid antitoxin during the year, making almost complete the immunization of the element of the community most susceptible to the disease. The result is that since July 19, 1934, not a single case of typhoid fever has been reported in the municipality. (In the preceding fiscal year there were 14 cases; this year there was 1 case.) There have been no cases of typhoid fever during the year in St. Croix, where an inoculation campaign among the school children was conducted 2 years ago.

FILARIASIS

In the study of filariasis, the most prevalent disease in St. Croix, 1,800 school children of all ages were given blood examinations. Over 275 gave positive reactions, though they showed no external signs of the disease. Over 80 percent of the applicants examined for E. C. W. enrollment likewise showed clinical signs of the disease.

Though it causes few deaths, filariasis is to be blamed for a great amount of sickness and disability in St. Croix. The chief municipal physician is making an earnest effort to develop some method of eradication or control of the disease, and for this purpose is enlisting the aid of foremost United States authorities on the subject.

COMMUNICABLE DISEASES

There have been no serious epidemics in the Virgin Islands during the year. In St. Thomas and St. John a number of infants and children fell victims to a wave of respiratory and gastro-intestinal diseases occurring the latter part of the fiscal year. In St. Croix an acute respiratory infection introduced from Puerto Rico affected a large number of people but caused no deaths. Three cases of infantile paralysis (anterior poliomyelitis) occurred in children in St. Croix, resulting in two deaths. There have been no further cases.

In St. Croix the recent large immigration of Puerto Rican peasants has introduced new menaces to the health of the islands. Two meriting special attention at the moment are the hookworm disease and schistosomiasis, both very prevalent in Puerto Rican immigrants to the island. The health department in St. Croix is making continued efforts to minimize this danger, and recommends examination of all immigrants before admission.

The chief municipal physician reports earnest attention to the problem of leprosy in St. Croix, which shows a higher incidence in St. Croix than in any other United States possession. The American mission to lepers and the Leonard Wood Memorial for Leprosy has given invaluable assistance in the past. The aid of the United States Public Health Service has also been enlisted, and it is hoped that they will cooperate further in the very necessary effort to combat this scourge.

PUBLIC HEALTH

For both St. Thomas and St. Croix, improved sewer systems are a necessity. The health department earnestly recommends appropriations for this purpose.

The department also earnestly calls on all citizens to aid in the effort to control and eradicate disease by whole-hearted cooperation with the sanitation department in the attempt to control breeding places of mosquitoes and flies. The citizenry are called upon to join in an active campaign for this purpose, the main points of which must consist in the elimination of unprotected sewage containers and prompt disposal of garbage for fly control, and elimination of stagnant water not screened or otherwise controlled against mosquito

breeding. The work of the health officers can be successful only with the cooperation of citizens. In cases of failure to give such cooperation, the health department recommends decisive action by the courts, and where adequate laws do not now exist for this purpose the legislature is called upon to enact them.

The department also makes a plea for improved handling of milk by producers and vendors in the islands. Lack of sanitation in this respect is the cause of much disease in the communities.

For control of tuberculosis, appropriations are sorely needed to provide isolation wards, and for purchase of X-ray plates in large numbers to permit regular and extensive X-ray examinations of all tuberculosis contacts among the children.

Child health is one of the major problems. Periodical medical examinations of school children, with follow-up and treatment for defects found, are continued. Undernourishment is the greatest single evil disclosed by these examinations. The need calls not only for continuation of the present hot-lunch program but for an increase so as to provide for all indigent school children.

Free dental service rendered by the municipal dentists has been an invaluable contribution to the health of children as well as indigent adult sufferers.

Overcrowded homes, with sometimes as many as 10 persons living and sleeping in one poorly ventilated room, are another great evil. A housing program for elimination of this menace is urged.

The public health nursing service provides care for indigent sick in their homes, carries on infant welfare and prenatal work through clinics as well as through home care, and in addition is attempting health education among the poorer people. In St. Croix, school health nurses have done special work among the children.

HOSPITAL SERVICE

Hospital service (both for medical work and surgical treatment) has been fully maintained throughout the year through the three hospitals of the islands. In addition, several clinics have functioned in outlying districts. An increasing number of people is taking advantage of the hospital service. In St. Thomas, 36,923 consultations or treatments were given to out-patients as compared with 24,404 last year, though hospitalization totaled only 17,681 sick days as compared with 18,309 last year.

HEALTH INSTITUTIONS

The health institutions in St. Croix (the leper colony, the insane asylum, and the poor farm) functioned normally throughout the year. The leper colony has been given much attention of late years

and the inmates are now housed in a modern village colony. Some of the old buildings have been torn down and replaced by modern concrete structures, and the old buildings remaining have been placed in excellent repair. Besides improved care for the lepers, entertainment is furnished for the shut-ins through moving pictures and occasional musical events made possible by a piano donated to the institution.

EDUCATION

Distinctive features of the educational work carried on during the past year are summarized in the following paragraphs.

ENROLLMENT

With an enrollment of 3,460 in the public schools, the total is 25 less than the preceding year. Yet there has been an increase of 47 in high-school grades, where the total this year is 638. Attendance was 96.43 percent of the enrollment, which is 2 percent better than the preceding year.

SCHOOL BUILDINGS

As a result of P. W. A. grants, most of the school buildings are now in good condition. Seven new buildings have been completed, and others have been extensively repaired. The school-housing picture is marred, however, by the incomplete structure at Dober School, necessitating the continued use of the old school condemned years ago and by the need for permanent high-school quarters in St. Thomas in view of the fact that the Marine Barracks building (until lately in use as the high school) will be used again for military purposes in connection with the development of a marine air corps base at St. Thomas.

CURRICULUM

No major changes were made in the academic curriculum. Continued emphasis was given to home-economics courses for girls and manual-arts training for boys, the principal vocational subjects taught. Classes in housekeeping, based upon the duties of a general maid, were introduced for the benefit of over-age girls in elementary grades. Classes in basketry were added to the schools in St. John, the center of the industry, and to two rural schools in St. Croix. Commercial classes (bookkeeping, shorthand, and typewriting) introduced in the St. Thomas High School made a good start.

VOCATIONAL INSTITUTE

Established in 1932 and supported by Federal funds, the Vocational Institute is a boarding school, with 33 boys in residence during the year. In addition, an academic class attended by day students.

and designated as the Senior High School of St. Croix, was conducted at the institute and furnished the academic training of the vocational students.

During the year greater emphasis was placed on agriculture in the Vocational Institute than heretofore. The orientation courses of the first-year students—harness making and shoe repair, carpentry and cabinetmaking, auto and farm mechanics—contribute toward the general development of the individual student, fitting him for the local farming situation. Second- and third-year students were afforded actual participation in agricultural projects by taking part in the work of the agricultural-experiment station.

SCHOLARSHIPS IN UNITED STATES UNIVERSITIES

New York University, Swarthmore College, and Hampton Institute granted scholarships to three outstanding students, the awards being made through the education department on the basis of merit. There are now 13 scholarship students from the Virgin Islands in colleges in the United States.

ADULT EDUCATION

With funds provided by the Federal Emergency Relief Administration, classes were reopened in four centers in October and carried on for 19 weeks. Forty classes met twice a week with 1,162 students enrolled. New courses included basketry, bookkeeping, shorthand, and printing.

NURSERY SCHOOLS

Nursery schools are much needed in the Virgin Islands to take care of preschool children from needy homes. On account of the loose family ties, a large percentage of the children must look to their mothers alone for support. These must take daily employment, either in the fields or in domestic service, leaving their children to the care of aged relatives or neighbors.

Following demonstration nursery schools conducted the previous year, in which local persons were trained by experienced continental nursery-school teachers, schools were established in November 1934 in each of the three principal towns, with native teachers. This was a promising undertaking, but was short lived due to the withdrawal of Federal funds. Resumption of this activity is recommended.

HEALTH AND WELFARE WORK THROUGH THE SCHOOLS

Besides the health work (medical and dental examinations and treatments) carried on in the schools through cooperation of the health and education departments, health training is given emphasis

in the effort to correct unhealthy practices and diet among the children, and in the hope through them to reach their homes. One Jeanes teacher in each island helped much in this and in general community work.

With funds contributed by the Golden Rule Foundation, hot lunches were continued for the needy school children in St. Thomas.

LOCAL ATTITUDES TOWARD EDUCATION

Failure of the councils to provide funds adequate for the educational program advocated by the administration is really the outstanding problem of the education department. This failure is probably due as much to lack of appreciation of or agreement with the purposes of the program as to lack of available funds. Without local popular and financial support, there can never be the necessary continuity of purpose.

The most outstanding need of the moment, then, is to work out a fundamentally sound educational program of a type which would meet with such wide local approval as would insure adequate appropriations in the future. It should not be too much to hope that an agreement as to educational policies and purposes having been reached, the community in general will feel the responsibility of meeting the cost of the program, even at the expense of added appropriations from local revenues.

It seems that, for the present, success in this direction can come only if leaders in community thought are convinced that the educational program as planned can be of real value in the struggle to improve economic conditions in the islands. Cultural values are not now widely accepted locally as justification for the costs involved. It seems desirable that this local opinion should be so modified that it will recognize the value of and give support to some degree of cultural training, but until it is modified the situation as it is must be faced.

PUBLIC WELFARE

Together with the greatly increased volume of work incident to the Emergency Relief Program, the public-welfare department carried on its usual activities in the two municipalities.

The largest single item in the normal work of the department was assistance to the poor, consisting of (1) direct relief in the form of pensions and (2) care of aged poor at the poor farm at Kings Hill, St. Croix. In St. Thomas and St. John, pensions totaling \$7,539.33 were distributed to 368 persons from municipal and trust funds. These pensions were inadequate both from the standpoint of the amount of individual grants and the number of persons assisted.

The majority of the pensioners received \$2 a month, and none received more than \$3 a month. Most of these must pay a rent of \$2 to \$3 a month, so that, on the average, the pensions can do nothing more than provide shelter. As many on the pension lists have dependents, two or three in some cases, the need for increased benefits is evident. The total grants and the general situation in St. Croix closely approximate those in St. Thomas and St. John.

To improve the pension system, the welfare department has prepared a model pension law, which it is hoped may be furthered. An attempt was also made to have the Virgin Islands included in the National Security Act, which was denied by Congress on the grounds that the Virgin Islands do not pay taxes to the Federal Government. Inclusion of the Virgin Islands in some part of the fine benefits available under this act is a great need.

The department makes an earnest appeal also for appropriations for a housing program to relieve overcrowded and unsanitary living conditions, for trained social workers to make possible vigorous uplift work among the lowest income group, and for establishment of community centers.

EMERGENCY RELIEF ACTIVITIES

The welfare department in both municipalities has functioned as a relief and employment agency of the Emergency Relief Program, receiving and investigating all applications for aid, selecting, and assigning workers to the work-relief projects, and making direct cash, food, and commodity grants as needed. In St. Thomas alone, the investigational work entailed about 4,000 office interviews and approximately 5,500 visits to the homes of applicants by the department's social investigators. Distribution of food necessitated the establishment of a food-distribution center in each island.

The department conducted a sewing project in each island, which together turned out 10,353 towels, 2,064 sheets, and 971 pillowcases, besides a quantity of clothing, all of which were distributed to needy families. At a mattress project in St. Thomas, 519 mattresses were produced with F. S. R. C. material and relief labor, and these were distributed among the poor in all three islands. Increasing proficiency of the workers on this project is evidenced by reduction in production costs per mattress from \$10.26 at the start to \$4.08 at the end of the year.

PUBLIC BEACH HOUSE

The Public Beach House at Lindbergh Bay, St. Thomas, was formally opened on July 19, 1934. The occasion was marked by athletic sports and by ceremonies in which a large crowd participated.

Since its opening, 6,000 persons have used its facilities at the 5-cent fee charged. It has been a self-supporting project throughout the year and met a great popular need.

THE BOTANICAL GARDEN, ST. THOMAS

Consisting of 22 acres of the federally owned Lindbergh Bay estate, the development of the botanical garden was initiated on a fund subscribed by a dozen public-spirited citizens and is under the direction of Mr. M. Petit as a volunteer service. Emergency allotments have aided in the work this year. An asphalt road to the garden was built and two houses (for the director and foreman) are nearly complete. Concrete benches, tables, flower pots, garden beds, and a lily pond have been installed, and 532 trees, shrubs, and flowering plants have been added to the garden during the year. A total of 1,658 visitors, including 80 percent tourists, visited the grounds during the year.

PUBLIC LIBRARIES

Despite inadequate appropriations, the libraries have kept up the remarkable progress recorded during recent years. The three public libraries in the islands circulated 77,661 books, which is 3.53 circulation per capita, the highest figure on record in the Virgin Islands and about one and one-half times the per capita rate in continental United States. In St. Thomas, where library facilities are best, the circulation rate was 4.82 per capita.

Though the service rendered by the libraries is evidently proving increasingly popular, local financial support is notably lacking. The progress achieved is largely the result of aid in past years through the Carnegie Corporation in developing a sound library system in the islands, but unless increased local support is given in subsequent years the service will inevitably deteriorate.

POLICE AND COURTS

The local unrest incident to the political activities in connection with the Senate investigation in the Virgin Islands did not cause any appreciable increase in police cases. In St. Thomas and St. John there were 633 cases, as compared with 508 the preceding year; but a very small percentage of these was of serious nature, as evidenced by the fact that only 6 resulted in sentences of more than 30 days. In St. Croix there were 391 cases, as compared with 364 cases the preceding year.

Crimes of violence were few. The total for all 3 islands was 3 cases of assault with intent to kill and 2 cases of murder.

Of a total of 89 criminal cases docketed in the district court for all 3 islands, 62 were found guilty, 18 were acquitted, and 9 are still pending.

BANKING

The Virgin Islands National Bank, organized to take the place of the retiring National Bank of the Danish West Indies, commenced operations on May 1, 1935. The special currency issued by the Danish bank had already been replaced by United States currency July 1, 1934.

The new bank has a capital of \$175,000, of which \$124,000 is preferred stock subscribed by the Reconstruction Finance Corporation, \$1,000 subscribed by the president of the bank, and \$50,000 in common stock subscribed by Virgin Islanders. The board of directors is composed entirely of residents of the Virgin Islands. Deposits as of June 30, 1935, were over \$800,000, which will be substantially increased when the former bank has finally liquidated its affairs. Late in the fiscal year the Virgin Islands National Bank was designated a general depository of Federal funds.

INDUSTRY AND AGRICULTURE

To provide a sound economic basis for the general improvement in living conditions desired for the Virgin Islands, the Government is actively cooperating with private initiative in addition to itself initiating a large-scale program for the purpose.

General improvement all along the line is evidenced by the details quoted under the several headings following.

TOURIST TRADE, ST. THOMAS

Eighteen tourist ships visited St. Thomas during the year, with about 8,000 transient tourists. Already 17 ships are scheduled for the coming year. The regular weekly boats from New York brought full passenger lists to add to the tourist totals. Remaining in port about 4 to 8 hours, it is estimated that the average expenditure per tourist in the island is approximately \$5. A large share of the income from transient tourists is in the form of taxi hires for sight-seeing. Low prices as a result of low local duties result in substantial sales of liquors, perfumes, etc. Sales of native handicraft are an important item.

There is a small but gradual increase in the number of winter residents. This is creating a demand for small modern furnished houses.

The Bluebeard Castle Hotel.—Formally opened on Christmas Day, 1934, 825 tourists from the S. S. *Statendam* visited the hotel for the

occasion. The pageant "Bluebeard's Wife" was presented by high-school students, and the celebration included a formal dinner under the patronage of His Excellency the Governor and Mrs. Pearson, attended by representative people of the island. The guest of honor was Miss Joanna C. Colcord, member of the Advisory Council for the Virgin Islands, appointed by the President.

Up to July 1, 1935, the Bluebeard Castle Hotel had entertained 192 guests, with gross receipts of \$16,162.75 and net receipts of \$2,448.55. It opened with eight rooms. With completion of additional units, it now has accommodations for 52 to 56 guests.

Improving hotel and recreational facilities.—A new and larger hotel to be built from Government funds is projected for St. Thomas in conjunction with a program of tourist promotion. The finest beach in the island has been developed by addition of beachhouse facilities, to be followed by other recreational features. The filling during the year of a large swamp adjacent to this beach greatly improves the locality.

HARBOR TRADE, ST. THOMAS

For centuries St. Thomas has depended for its existence chiefly upon the activities of its harbor—and it still does. The relative number of entering ships determines not only employment on its docks and in its bunkering operations, but directly affects merchants, taxi drivers, truckmen, provisioners, farmers, and cattlemen. Warships, colliers, freighters, passenger vessels, or tourist ships, all contribute their quota to St. Thomas' economic welfare.

Shipping.—During the year, 549 ocean-going ships, with a total gross tonnage of 2,568,452 tons, entered the harbor. This is 38 ships more than last year and 44 ships more than the past 15-year average of 505. Of the total this year, 349, or 64 percent, were foreign merchant ships.

Bunkering of ships.—This important activity showed 37-percent increase this year, when 279 ships took bunkers of coal or oil, as compared with 203 the previous year, 182 in 1932-33, and 185 in 1931-32. This increased patronage is due largely to the removal of certain harbor dues, which places the port on a favorable competitive basis with other West Indian bunkering stations. Although machinery loading is far less expensive, about one-fourth of the coal sold was loaded by hand, affording much-needed employment.

Dredging.—Incident to the filling of the Long Bay Swamp as a sanitation project, the harbor channel at the West Indian Co. dock is being dredged to a depth of 37 feet. This will prove of great benefit to shipping. Another sanitation project adjoining the harbor will permit the widening and deepening of the western outlet of the

harbor known as the Haul-Over . The harbor master urges appropriations in the near future for dredging of the other main channels.

Steamship and air service.—Two regular steamship lines out of New York continue to call at St. Thomas on their way to and from the islands to the south. The weekly steamship service with Puerto Rico, with New York and Baltimore connections there, also continue. Two boats plying between European ports and the west coast of the United States via Panama Canal provide monthly service in both directions.

Weekly air service connecting St. Thomas with the mainland, via San Juan, and with the islands to the south and the mainland of South America, continued throughout the year.

BAY RUM AND BAY OIL

Exports of bay rum from St. Thomas dropped 49,735 gallons in 1934-35. The reasons for this are twofold—a decline in its general use and competition with low-priced northern mixtures of alcohol and imported bay oil or synthetic essences. The market and profit limitations of this commodity do not at the moment warrant the cost of promotion on any scale that would materially increase production.

There is, however, a possibility of development of the bay oil of St. John, which island produces the finest quality known. Its product commands a premium on the United States market, yet only a small fraction of its possible output is now produced and marketed. Government aid for promotion of this industry seems justified and is recommended.

SUGAR AND RUM

ST. CROIX

The year's greatest economic development in the Virgin Islands has been in the rum and sugar industries in St. Croix. From 1930 and until last year, the largest sugar mill there stood idle and thousands of cane acres remained uncultivated. Unable, despite repeated attempts, to get private interests to undertake the development so vitally necessary, funds for that purpose were finally secured from the Federal Government, and the Virgin Islands Co. was organized.

The Virgin Islands Co.—Two sugar mills, 3,000 acres of land, and a commercial rum distillery which had just been completed, with its 40,000 gallons of rum on hand, were purchased by the Government. Operation of these properties has been entrusted to the Virgin Islands Co., a nondividend corporation established with Federal funds, with a view to applying all profits or savings to the benefit of the people.

One mill has been renovated and operated this season, and the other is to be shortly rehabilitated. Two thousand acres of land have been cleared or cleaned, and 700 of these acres have been put into cultivation. Rum totaling 220,000 gallons has been distilled and warehoused for aging, together with the 40,000 gallons purchased. Twenty-six million pounds of cane were purchased from 650 growers (chiefly homesteaders and renters) for \$34,000. For the past 6 months an average of 1,400 field and industrial workers have been employed by this Government project, which to June 30 spent \$809,000 in this work of industrial restoration.

Private operators.—Meanwhile, the privately owned La Grange Sugar Co. continued to operate in the west end of St. Croix, making sugar only, while three small, privately owned rum distilleries of old repute were put into operation. Their combined production during the year was approximately 30,000 gallons.

Total sugar and rum production.—Records show the year's total rum production of about 250,000 gallons to have been considerably larger than the rum exports from St. Croix of any year in the last half century.

Dry weather reduced cane production by about 25 per cent. This, together with the increased percentage of cane juice distilled for rum, decreased sugar production from 4,088 tons in 1934 to 1,670 tons in 1935.

ST. THOMAS

Two distilleries in St. Thomas exported during the year 20,272 gallons of rum produced locally. Most of this was distilled from St. Croix molasses, but sugarcane produced by homesteaders in St. Thomas found a ready market at one of the local rum distilleries equipped with grinding machinery.

CATTLE

In all three islands, the greater part of the land is given over to cattle raising. Most of this grazing land is unsuited for other use. Exports of cattle from St. Thomas and St. John decreased from 669 head in 1933-34 to 581 head in 1934-35. Exports from St. Croix during 1934-35 were the highest in 15 years—1,690 head as compared with 1,149 the preceding year. Prices during the year dropped as low as 2½ cents a pound, at which price profitable production is not possible; but during the last 4 months the market improved until prices reached 5 cents per pound and better, with considerable demand. Puerto Rico is virtually the only market for Virgin Islands cattle.

WINTER VEGETABLES

The third year of tomato growing for the northern winter market proved a failure. Variable weather throughout the planting and growing season, together with certain pests, increased costs and decreased yields to the end that losses were suffered. The first year showed profit on small acreage; the second year showed an even break on larger plantings. Every crop in these islands is subject more or less to these same variations, and success can be determined only by averages. Few men, however, can or will take the risks particularly attendant upon the more perishable products subject not only to weather but to the uncertainties of the New York commission market.

There were also two unsuccessful attempts made by northern seed houses to multiply here, during the winter, their seeds of the previous summer. These experiments met with the same unfortunate weather conditions as did tomato growing; but the advantages of double seed multiplication in a single year are so obvious and the possibilities so great that such experiments will inevitably continue and ultimately succeed.

HOMESTEADING

ST. CROIX

The past year witnessed the best progress yet made in the homesteading program in St. Croix. By June 30, 1935, Federal homesteaders had increased to 255. Of these, all but 34 are the original allottees. Their plots comprise over 1,400 acres, of which 1,010 acres are under cultivation for the 1936 crop. The average homesteader is already cultivating 50 percent more land than he had as a renter. A few are lone women who have shown unexpectedly good results.

The average homestead consists of slightly less than 6 acres, and the average price for a plot is \$210, requiring an annual payment of \$16, including interest, on a 20-year payment plan. For those desiring them, houses are built on separate contracts on similar terms. Cultivation aids, including tractor plowing, stumping, etc., are also rendered by the Government, repayable in installments. The installments of all kinds due the Government for 1934 and 1935 totaled \$10,652.07. Of this, \$9,485.47 has been paid and most of the balance will be paid during the next few months.

For the grinding season ended June 30, 1935, 211 St. Croix homesteaders sold cane to mills and distilleries valued at \$18,985.98, of which \$6,414.50 went for homestead installments, leaving \$12,571.48 net to homesteaders. The first 50 averaged \$177.07 gross from their sugar crop (\$134.58 after paying installments), which may seem woefully low to those not familiar with local conditions, but which must

be compared with the \$75 which the average St. Croix field laborer earns by about 25 weeks' work in a year. In addition, the homesteader had the benefit of provisions grown on his plot.

Federal homesteading in St. Croix has been supplemented by two municipal projects which add nearly 100 small farmers to the number who are working toward the partial independence of land ownership.

Negotiations are under way for the purchase of 630 additional acres to provide for another 60 to 70 families.

ST. THOMAS

Homesteading in St. Thomas differs greatly in character, purpose, and results from that in St. Croix. With 90 percent of its people concentrated in its harbor-minded town, there is no great land interest and unfortunately little good soil. However, with the decline of harbor activities, the need to promote such little agriculture as is possible encouraged the purchase of the Lindbergh Bay estate for the joint purpose of tourist development and a homesteading project.

Of the over 60 plots, totaling 300 acres, most are now under contract, and 123 acres are in cultivation. A tractor, a plow, and experienced direction, have been provided to aid these new farmers. Cultivation includes vegetables and fruits, grass, and lately sugar-cane for the small mill of a local rum distiller.

Adverse weather conditions and inexperienced workers have combined to make a poor financial showing for the year, with many failing to meet installments due. In all worthy cases, the Homestead Commission has exercised its authority to postpone payments when default is not due to neglect. Replacement of those found unsatisfactory is gradually resulting in an improved homestead colony, from whom better results can be confidently expected.

HOMESTEAD HOUSING

The housing operations incident to the homesteading program have been eagerly welcomed by homesteaders. Over 50 houses are to be provided in St. Croix, and about half that number are already completed. In St. Thomas, nine families are already living in their new homes. These are 2- to 4-room houses of concrete or stone construction. With 20 years to pay, the installments are no higher than previous rental costs.

AGRICULTURAL EXPERIMENT STATION

In all phases of land development, the agricultural experiment stations in St. Croix and St. Thomas have rendered valuable extension and advisory service as well as direct aids. They have cooperated particularly in homestead development, where many of the new

farmers had had inadequate land experience and where mechanized cultivation was new to all of them.

Special service is being rendered the reviving rum industry by experiments to determine the most desirable types of cane, fermentation methods, etc. The principal crop experiments of the year concerned development of improved forage crops. The station in St. Croix maintains a plant-quarantine service to protect agriculture in the island. At the station in St. Thomas, quarantine cultivation plots for sugarcane and cotton are maintained where new varieties imported into the islands are tested out for disease before being allowed to enter St. Croix and endanger the industry there.

The veterinary service of the stations has been active in promoting improved breeds of cattle, pigs, goats, and poultry, and in the control of disease among all kinds of livestock. Treatment and control measures for equine epizootic, prevalent in preceding years, resulted in decrease from 797 cases last year to 217 cases this year. Officials of the stations continued to inspect and certify all livestock for export and import. Increased exports of cattle resulted in increased activity under this heading.

HANDICRAFT

In the previous annual report, the most successful year yet enjoyed by the Handicraft Cooperatives of St. Thomas and St. John was recorded. It is gratifying to be able to report this year sales nearly two and one-half times those of last year's record high. With F. E. R. A. aid this year reduced to teaching projects only, the cooperatives have made splendid progress on their own capital. The scope of their service has been expanded, their activities have increased, their operations have been profitable, and their financial condition at the end of the year is more sound than ever.

Handicraft sales have increased sixfold, from \$3,978.52 in 1931 to \$23,371.67 (exclusive of rugs) in 1934-35. Export and tourist sales represent 91 per cent of this record total. Sales for the first 6 months of 1935 exceed the entire sales of 1934. In addition, rug sales for the year totaled \$5,487.10. The \$4,000 loan from the municipality of St. Thomas and St. John, with which the cooperatives were originally financed, has been repaid all but \$577, and the cooperatives today have a net worth of \$6,070.66, represented by cash and inventory.

Over 300 men, women, and girls have been employed by the cooperatives on a whole or part-time basis during the past year. The cooperatives have paid out in wages or for outright purchases of local handicraft, \$15,916.39, in addition to \$4,639.20 paid in wages through the hooked-rug division, making a total of \$20,555.59 added to the

income of the poorer people of the island through this activity. Federal aid to accomplish this end totaled only about 12 percent of the increment to the people. Operating expenses charged to the cooperatives represented but 11.3 percent of the total sales.

Both increased tourist sales and increased exports to the United States account for the improved handicraft trade. Sales activities on the mainland are being actively pushed, principally through a New York representative. Organized production has so improved during the past year that the demand has been met, though this is considerably greater than it has ever been before. Workers are being trained and added as fast as possible to meet the added demand which it is believed can be created once the output warrants it.

Hooked rugs.—During the year, nearly 4,000 rugs totaling over 25,000 square feet have been produced. The pay rolls of this division, \$4,639.20, have been helpful in meeting employment needs among women. But, as a commercial enterprise, from a cash-profit standpoint, this activity has not been successful because Japanese rugs have flooded the United States market at prices below local costs for raw materials and labor. Under these conditions, a strike for higher wages by local hooked-rug workers during the year could have no result other than the replacement of the strikers by others willing to work at the existing rates. At these rates, earnest workers earn the equivalent of local wage rates for similar labor.

The competition with low-priced Japanese rugs entering the United States market is a grave problem affecting the very existence of this activity. It is earnestly hoped that the President will move to protect this local industry in common with the industry in other parts of the United States, by providing a protective tariff on this item.

Pottery.—This division of the handicraft cooperatives has been temporarily suspended. With increasing business in sight, the half dozen trained workers demanded consecutive increases for their products until they were no longer salable, the factory closed, and the workers returned to the unemployed class.

After considerable research, a native clay has been found that appears suitable for a more desirable development of this activity. For this purpose, funds are needed to provide a modern kiln and the services of a capable potter to instruct deserving native workers.

Mahogany craft.—Modern woodworking equipment for establishing a woodworking factory in St. Thomas has been secured on a F. E. R. A. grant for capital for a cabinetmakers cooperative. Involved organization details have unfortunately delayed actual establishment of this cooperative.

Jams and jellies.—The cooperatives have been inactive in these items during the past year. A private project in St. Thomas, set

up by an experienced man from the States, has created an outlet for preserved native fruits marketed in attractive native basket containers. The demand exceeded the supply, and the project demonstrated possibilities for development of a new local industry using local products almost exclusively. This project is worthy of every encouragement possible.

LABOR

Increased employment resulting from the activities of the National Recovery Program led to labor troubles in both St. Croix and St. Thomas during the fiscal year. In March 1935 labor trouble in St. Croix was settled by an arrangement through which the minimum agricultural wage was raised from 45 cents to 60 cents a day, which was accepted by the Virgin Islands Co., the largest employer of labor in the island. In St. Thomas labor troubles occurred at the Army engineering project for filling of the Lindbergh Bay swamp. Coming from a similar project in Puerto Rico, the dredge was followed to St. Thomas by some of the workers who had been employed on the Puerto Rican project. Following their general practice of paying the prevailing wage of communities in which they undertake work, the Army project in St. Thomas was initiated at the prevailing wage rate here for similar labor, which was 15 cents an hour, as compared with 25 cents an hour paid on the Puerto Rican project. Incited by the Puerto Rican laborers, a strike was organized on the Lindbergh Bay project, with a demand for 25 cents an hour, the strikers resorting to intimidation to prevent replacement from the long list of unemployed workers available through the public-welfare department.

After 3 days of unsuccessful negotiation, the Governor intervened, and on May 10, 1935, announced an increase in the general Government wage scale for manual labor in the municipality of St. Thomas and St. John of 5 cents an hour, thus permitting the dredge authorities to raise their rate to 20 cents an hour. This rate was accepted by the strikers, and work proceeded normally thereafter. Later, a general increase in the Government wage scale was made also in St. Croix, including a further increase in agricultural wages (these had been raised only a few months before) from 60 cents to 75 cents a day. Strikes by bakers and by coal workers in St. Thomas, influenced by the strike on the Government project, were promptly settled, with some increase in wages.

ORGANIZATION OF LABOR BOARDS

In announcing the increase in wage rates, the Governor appointed a labor board for St. Thomas, stating its purpose to be the constitu-

tion of an acceptable board of reference for all labor disputes in the island, to avoid lockouts and strikes, and to mediate between employers and laborers. The board consists of eight members—the Government secretary, the commissioner of public welfare, the assistant commissioner of public works, the manager of the West Indian Co., which is the largest private employer of labor in the island, and four members from labor groups.

The Governor moved to appoint a similar board in St. Croix, and the labor members were chosen by the labor unions of the island. But up to the close of the fiscal year, the members representing the employers, the Government, and outside interests had not been selected, so that the St. Croix labor board is not yet operative.

The labor board in St. Thomas, from the date of its constitution, May 13, was active until early July in quieting disturbances and in announcing principles of relationship between employers and employees, investigating the cost of living, classification of skilled labor, and other germane subjects. The solution of labor difficulties in the Virgin Island involves many baffling problems, including the determination of living costs, the need for increasing the wage scale in order to improve living standards, and at the same time to adjust this need against the economic necessity of keeping to a wage scale that can be maintained in competition with neighboring low-cost-labor countries. Increases in the wage scale are further hampered by the present low earning power of the average native laborer. Hardship results for the private employer when the Government raises arbitrarily its wage rates, as has been seen in the case of the sugar growers and operators in St. Croix. It is easy for the Government thus to render operation of private property impossible.

ST. JOHN

The small island of St. John, with less than 800 inhabitants, is a part of the municipality of St. Thomas and St. John. The commissioner for St. John directs all activities in that island in cooperation with the heads of the various municipal departments located at St. Thomas.

The commissioner, who is a medical doctor, organized during the year a small emergency hospital, with 6 beds, located at Cruz Bay, one of the two small settlements on the island. A nurse was added to the commissioner's staff to help in this work and to do visiting nursing service to the people scattered over the countryside. In addition, a revolving fund was set up to provide medicines to be kept in stock there for sale; heretofore, patients had to wait until such items could be secured from St. Thomas. Dental service was given through regular visits of the municipal dentist from St. Thomas.

A community club was organized by the commissioner as a means of spreading information about health, social, and educational matters, and of bringing the people together to talk over their problems. A circulating library made available through the St. Thomas Public Library proved popular. Small musical events were promoted.

The main dependence of the small population is on the burning of charcoal, raising of cattle, and basket work for the handicraft cooperatives in St. Thomas, the latter assuming major proportions in the last 2 years. Bay-oil production, once very important in the economy of the island, is now dormant. Because the high quality of bay oil produced in St. John commands a premium in United States markets, there are possibilities in the industry that should be vigorously developed.

Respectfully submitted.

LAWRENCE W. CRAMER,
Governor.



